



Department of Health and Human Services

Division of Child Support Services
House Finance Division III
Budget Overview
March 6, 2009



Agenda



- Introduction
- Review of the Mission
- Review the Organization Structure
- Identify and discuss major cost drivers
- Identify and discuss future uncertainties
- Budget By Class
- Budget Building Blocks
- Questions



Mission



- Mission:
 - Derived from Title IV-D of the Social Security Act, DCSS enhances the well-being of children by assuring that assistance in obtaining support, including financial and medical, is available to children through locating parents, establishing paternity, establishing support obligations, and monitoring and enforcing those obligations.

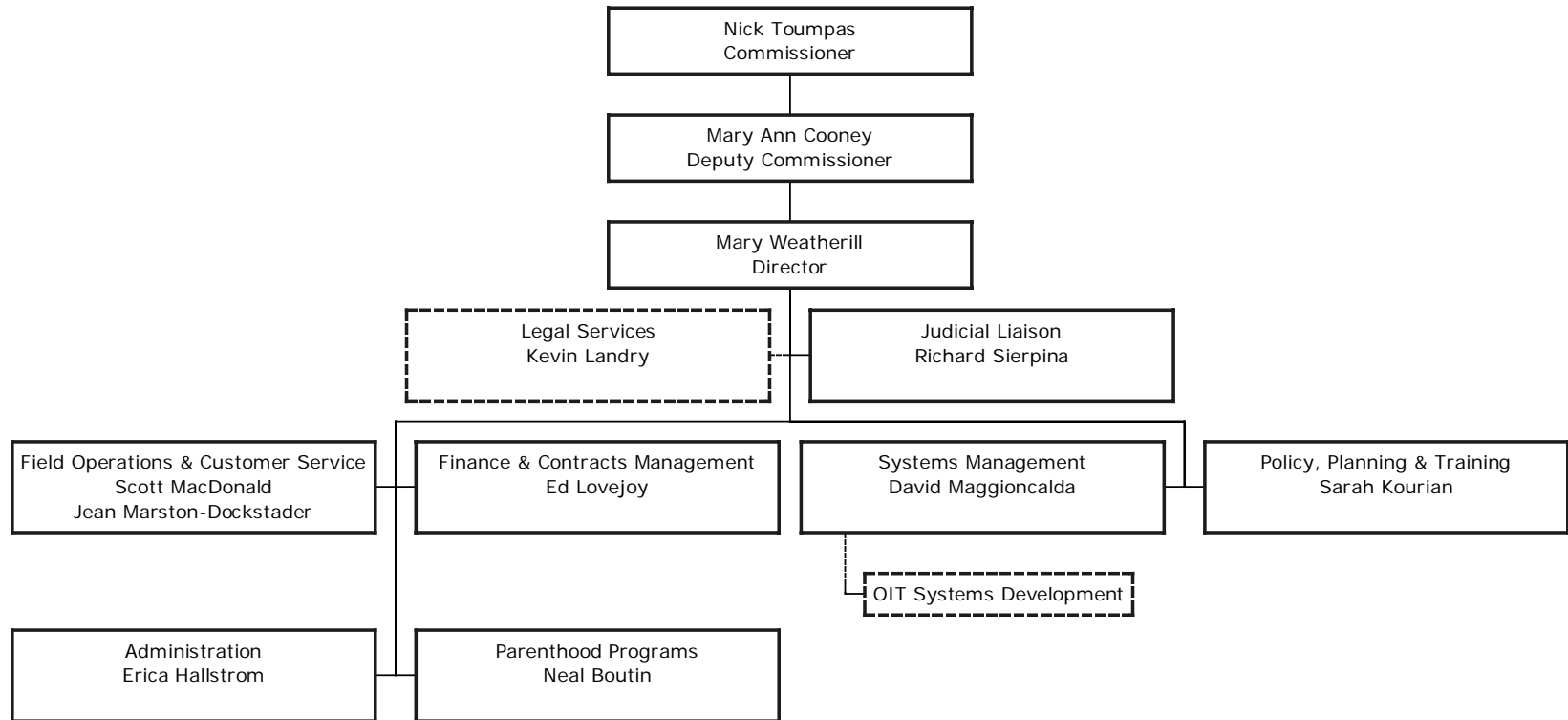
- Populations served:

	09/30/08	02/28/09
■ Current Assistance (TANF)	4,876	5,679
■ Former Assistance	17,631	17,072
■ Never Assistance	13,039	13,030
- Required responsibilities:
 - Paternity Establishment
 - Location of parents and their resources
 - Establishment and enforcement of child support orders
 - Collection and distribution of child support
 - Periodic review and adjustment of court ordered obligations
 - Administration of income assignments
 - Represents State's interest in court

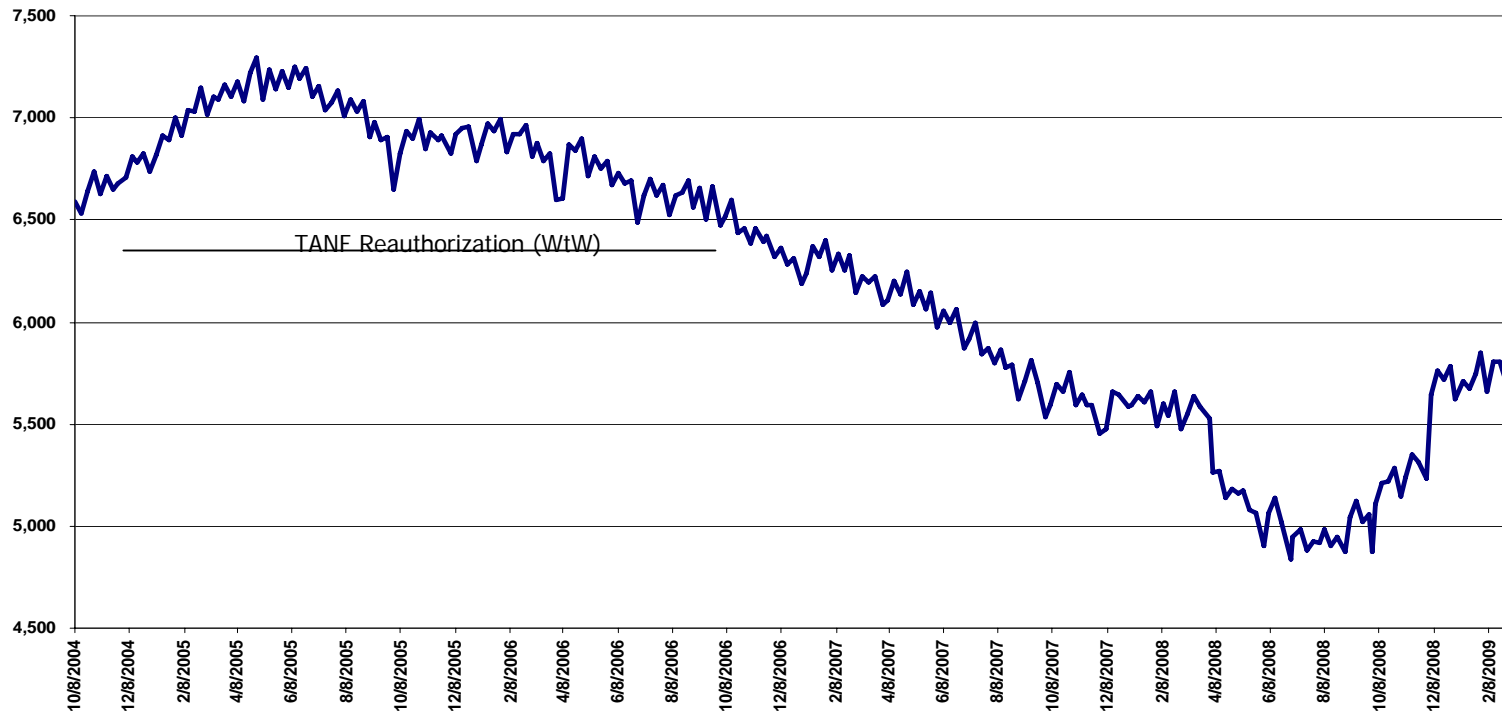
Organization



Division of Child Support Services



DCSS "Current" Caseload History

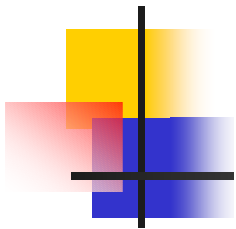




Cost Drivers

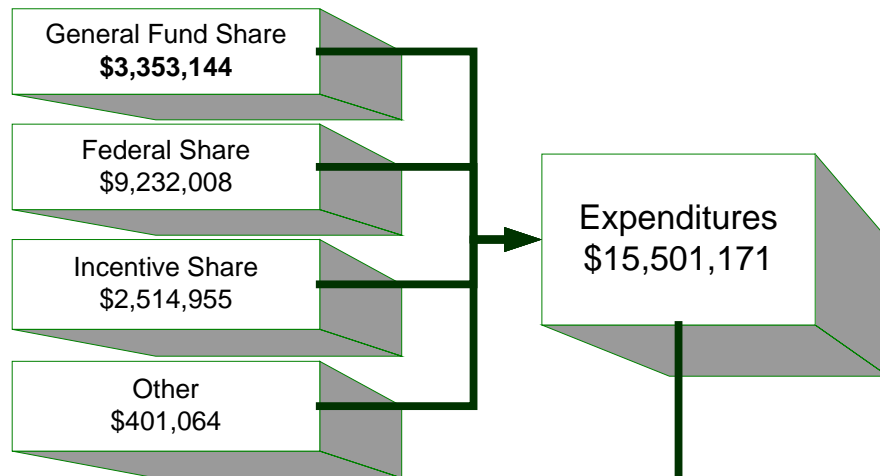


- Client caseloads - 35,000 families
 - Client complexity - New mandates, i.e.. medical support; economy impacting UC, wage withholding and modifications in court; expectations of two clients often in opposition;
 - Delivery networks; primary stakeholders are courts and employers
 - Regulation, State (RSA 126-A, 161-B, 161-C, 161-H, 458, 461-A) and Federal (Title IV-D of the Social Security Act)
 - Technology; NECSES was built in the 80's, need to replace
- Key Performance Metrics
 - Performance Measures Resulting in Federal Incentive Revenue (1.8 million)
 - 1. Paternity Establishment
 - 2. Cases with Support Orders
 - 3. Collections on Current Support
 - 4. Collections on Arrears
 - 5. Cost Effectiveness - \$4.56 per \$1.00
 - 6. Medical Support (Future)

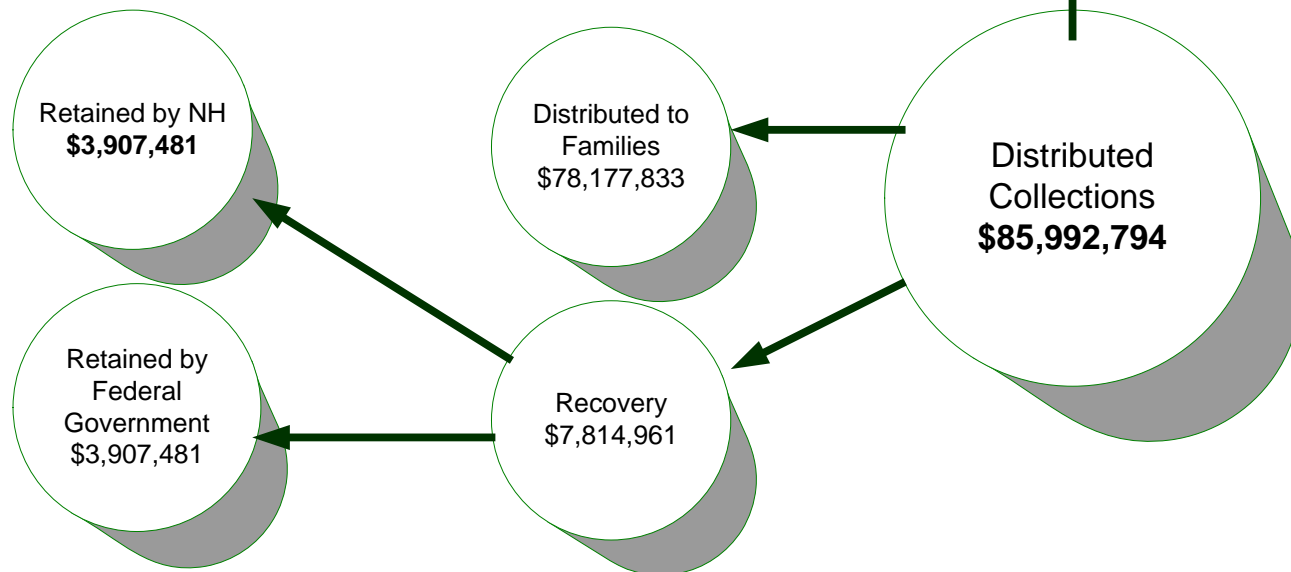


SFY 2008 DIVISION OF CHILD SUPPORT SERVICES

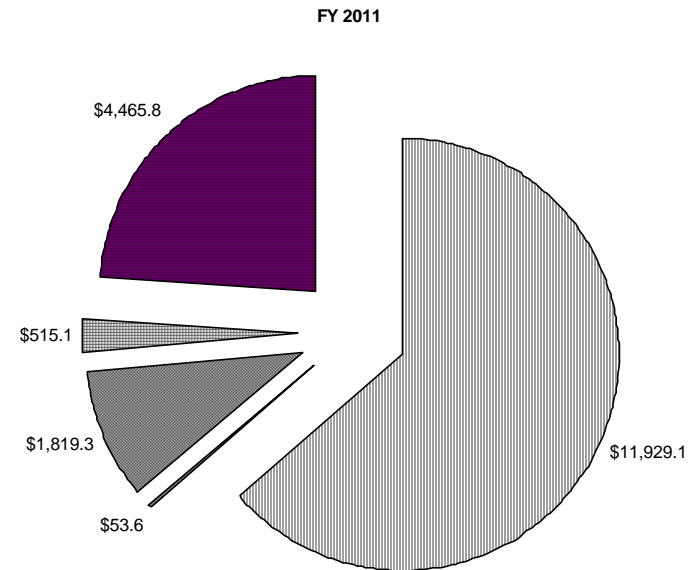
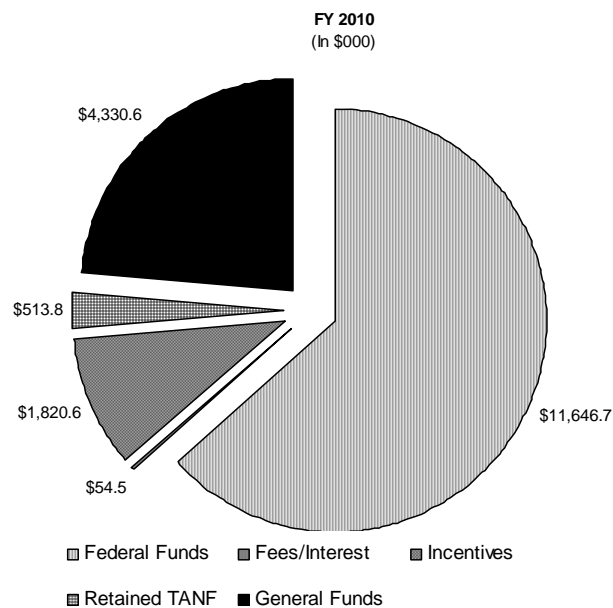
Funding



Distribution



DCSS Funding by Source





Budget Request By Class



DCSS - Largest Lines

DCSS Budget Summary	SFY 2008 Expended	SFY 2009 Adj Auth	SFY 2010 Maintenance	SFY 2010 Governor's	SFY 2011 Maintenance	SFY 2011 Governor's
Personnel & Benefits	10,282,655	10,927,959	12,308,653	12,225,807	12,662,149	12,578,378
Grants-Federal	110,022	100,000	100,000	100,000	100,000	100,000
Employment Security	200,126	203,200	190,999	190,999	197,000	197,000
Admin Office of Courts	1,687,422	1,462,081	1,418,577	1,418,577	1,426,310	1,426,310
State Disbursement Unit	1,634,876	130,000	1,310,000	1,310,000	1,350,000	1,350,000
NECSSES Requirements	226,401	1,928,150	1,500,000	1,500,000	1,500,000	1,500,000
Other	1,359,669	2,873,651	1,615,037	1,620,806	1,642,652	1,631,215
Division Total	15,501,171	17,625,041	18,443,265	18,366,188	18,878,111	18,782,903

Building Blocks



Department of Health and Human Services
Budget SFY10 & SFY11
Maintenance Request vs Governor's Budget
Figures Rounded to \$000

Division	Funding	Title	SFY2010				SFY2011			
			Maint.		Governor's		Maint.		Governor's	
			Request		Budget		Request		Budget	
			Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds
I Federally Mandated Entitlement Categories & Services										
DCSS	IV-D	Paternity Determination	\$76	\$22	\$76	\$22	\$76	\$22	\$76	\$22
DCSS	IV-D	Expedited Services (Family Court)	\$1,419	\$0	\$1,419	\$0	\$1,426	\$0	\$1,426	\$0
DCSS	IV-D	State Disbursement Unit	\$1,310	\$425	\$1,310	\$425	\$1,350	\$439	\$1,350	\$439
II Federal Optional Entitlement Categories & Services										
DCSS	IV-D	Bank Match / Utilities Match	\$25	\$9	\$25	\$9	\$25	\$9	\$25	\$9
DCSS	IV-D	NECSSES Improvements	\$1,500	\$0	\$1,500	\$0	\$1,500	\$0	\$1,500	\$0
III Federal Grants										
DCSS	A&V	Access & Visitation	\$156	\$19	\$156	\$19	\$156	\$19	\$156	\$19
IV State Optional Services			\$0	\$0	0	0	\$0	\$0	\$0	0
V Personnel - Direct Care										
DCSS	IV-D	Field Operations Staff	\$8,571	\$2,406	\$8,565	\$2,320	\$8,838	\$2,493	\$8,851	\$2,402
DCSS	IV-D	Customer Services Staff	\$353	\$99	\$353	\$99	\$364	\$103	\$364	\$103
VI Personnel - Non Direct Care										
DCSS	IV-D	Director's Office Staff	\$1,762	\$495	\$1,680	\$471	\$1,799	\$507	\$1,712	\$482
DCSS	IV-D	Legal Staff	\$2,107	\$690	\$2,107	\$690	\$2,175	\$713	\$2,175	\$713
VII Administrative Non-Personnel Costs										
DCSS	IV-D	Field Operations Staff	\$378	\$104	\$424	\$104	\$380	\$104	\$392	\$104
DCSS	IV-D	Director's Office Staff	\$567	\$155	\$542	\$148	\$570	\$156	\$545	\$149
DCSS	IV-D	Legal Staff	\$81	\$28	\$71	\$24	\$82	\$28	\$72	\$25
DCSS	IV-D	Indirect/Audt Fund Set Aside	\$138	\$0	\$138	\$0	\$138	\$0	\$138	\$0
Total Budget			\$18,442	\$4,452	\$18,366	\$4,331	\$18,878	\$4,592	\$18,783	\$4,466



Change Requests & Other Items



- Major change includes 5 additional staff:
 - Quality Control reviewer to address business operations and performance compliance
 - 4 Field specialists ("floaters") who can assume caseloads in any location addressing critical workload and training needs.



Stimulus Impact



- Stimulus allows DCSS to use Incentives to match Federal Funds
 - Effective 10/01/08 through 09/30/10 (+\$6.9 FF)
 - Federal OCSE will require reports on how funds are spent
 - Specifics from OCSE forthcoming
- One-time opportunity to improve efficiency through technology
 - Data exchanges with:
 - US Postal Service, Federal Insurance Data Match, Social Security Administration
 - Distribution changes:
 - New Child Support Guidelines will require system changes
 - Consideration of transfer system for replacement



Restrictions on Incentives



- Section 458A(f) of the Social Security Act restricts the use of Incentives
 - A State must reinvest Incentives earned in the State's CSE program
 - A State must use funds for other activities that will improve the State's CSE Program
 - Requests for approval to expend Incentives on activities not currently eligible for funding, but which benefit the IV-D program, must be approved by the Secretary of HHS
 - A State must expend the full amount of Incentives received to supplement, not supplant, other funds used by the State to Carry out IV-D activities
 - State IV-D expenditures may not be reduced as a result of receipt and reinvestment of Incentives



Future Uncertainties



- Ongoing Performance Audits
 - Data Reliability Audit - Annual
 - Single Audit
- Medical Support - a new Performance Measure
- Financial Cost Audits
 - Limited Cost Audit - SFY '03 thru FY '05 (still pending)
- Consequences of failure in any area include sanctions to DCSS and the TANF block grant, loss of revenue to the state and income to families
- Pass-Through to Families



Division of Child Support Services



Questions and Discussions